COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF JOHNSON)	CASE NO. 2003-00459
COUNTY GAS COMPANY, INC.)	

ORDER

On September 1, 1999, in Case No. 1999-00155, the Commission approved rates for Johnson County Gas Company, Inc. ("Johnson County") and provided for their further adjustment in accordance with Johnson County's gas cost adjustment ("GCA") clause.

On December 1, 2003, Johnson County filed its proposed GCA to be effective January 1, 2004.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- Johnson County's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Johnson County proposes an expected gas cost ("EGC") of \$7.0807, which is 66.84 cents per Mcf less than the previously approved EGC of \$7.7491.
 - 3. Johnson County's notice sets out no refund adjustment.
- 4. Johnson County's notice sets out a current quarter actual adjustment ("AA") of (6.24) cents per Mcf. Johnson County's notice sets out a total AA of \$1.0260 per Mcf, which is 5.65 cents per Mcf less than the previous total AA.

5. Johnson County's notice sets a current quarter balancing adjustment ("BA") of (.68) cent per Mcf. Johnson County's notice sets a total BA of .05 cent per

Mcf, which is .15 cent per Mcf more than the previous total BA.

6. Johnson County's gas cost recovery rate is \$8.1072 per Mcf, which is

72.34 cents per Mcf less than the previous rate of \$8.8306.

7. Johnson County's adjustment in rates is fair, just, and reasonable, and

should be approved for billing for service rendered by Johnson County on and after

January 1, 2004.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are

approved for billing for service rendered on and after January 1, 2004.

2. Within 20 days of the date of this Order, Johnson County shall file with the

Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 16th day of December, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00459 DATED December 16, 2003

The following rates and charges are prescribed for the customers in the area served by Johnson County Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

Residential

<u>Monthly</u>	Base Rate	Gas Cost Recovery <u>Rate</u>	Total <u>Rate</u>
Minimum Bill 0-1 Mcf All additional Mcf	\$6.9542 \$5.9542	\$8.1072 \$8.1072	\$15.0614 \$14.0614
Commercial			
Monthly All Mcf	\$6.3042	\$8.1072	\$14.4114